

Under C. 180, Section 7, which is the charitable corporation statute the corporation has power by its by-laws to determine the manner in which, and officers and agents by whom its purposes may be accomplished and may have a board of other officers instead of directors and other officers.

Meetings of Corporation.

Quorum: Article 6 of by-laws provides that 15 members shall constitute a quorum at the meeting of the corporation and five members at a meeting of the directors, but a less number may adjourn to any time and place.

Members: Article 8, provides that any members must be over twenty-one years of age to have a voting power.

2 classes of members, voting and associate.

All signers of the agreement of corporation are voting members.

Other persons may be elected voting members by a majority of the Board of Managers at any meeting of the Board.

All contributing to the association shall become associate members.

The question is: Can we get 15 members to attend the meeting, that is, either charter members or persons elected by the Board of Managers.

The question is: Whether the call shall include a proposed amendment to the by-laws by reducing the quorum from 15 members to 9.

We have alive 12 charter members of whom two are probably not available because of illness or distance.

Under C. 559 of 1947, Section 4, a new section 10 provides that any corporation (charitable) at a meeting duly called for the purpose, by a vote of two thirds of the persons legally qualified to vote in meetings of the corporation, may add to or change the purposes for which it was incorporated if the additional or new purpose is authorized by section 2 and is certified by the commissioner of corporations.

Section 5 of this chapter repeals Section 11 and provides that if the corporation cannot comply with section 10 of this chapter or section 10 of c. 155, may petition the commissioner of corporations and taxation hereinafter called the commissioner, for an addition to or change of purposes or for a change of name, as the case may be, stating why section 10 cannot be complied with and the new purposes to be adopted.

C. 692 of 1949 Section 2 provides that before approving any new certificate under section 10 or petition under section 11 showing as a new or additional purpose any of the purposes mentioned in said section 2 of C. 692 of 1949 the commissioner shall refer the articles to the department of public welfare etc.

None of the purposes herein named relates to the present purposes or probable purposes of The Peabody Community House, Incorporated.

Benefical Assocations

1 Allen 120.

Assisting people to establish themselves in life is one of the purposes of a public charity, also institutions organized to administer trusts which are the outgrowth of the conditions of modern society is a valid charity.

Parkhurst & others v. Treasurer and Receiver
General & another 228 Mass. 198.

JACKSON v. PHILLIPS & OTHERS

The purpose being to bring the minds of an indefinite number of persons under the influence of education and religion by assisting them to establish themselves in life, by relieving their bodies from disease, suffering or constraint, by erecting or maintaining public buildings or works, or otherwise lessening the burdens of government. It distributes no alms or relief, educational work, religion, education, and public works are still, in one form or another, the characteristics which distinguish most charities but not all.

It has come to be recognized that new objects must be added in order to comprehend within the class of charities a wide variety of gifts which represent a wholly generous and unselfish devotion of wealth to uses which benefit the public generally or whole classes of the public and from which the donor derives no personal advantage.

See Boston Chamber of Commerce v. Assessors of Boston

315 Mass. 742.

The word "benevolent" is no broader than "charitable". 315 Mass. 712 at 716.

It would seem that this corporation would come within the following purposes. Civic, educational, charitable, benevolent, scientific, or religious purposes, literary purposes, establishing and maintaining libraries, promotion of morality encouragement, athletic exercises, establishment and maintenance of places for reading rooms, libraries or social meetings.

LAR assesses in educational public library literary + charitable corporation

The word "benevolent" in the statute employed in conjunction with the word "charitable" is synonymous to that word and adds nothing to it. D. A. R. v. Lowell 204 Mass. 487, 492. 296 Mass. 378 at 385.

The establishment of a public library serves a charitable purpose. It is a charitable purpose which it rests would be charitable by intention of law.

It was said in 204 Mass. 487 at 493 that the statute plainly exempts institutions which a court of equity would hold to be within the provisions of St. 43 Eliz. c. 4, and charitable institutions organized to administer trusts in aid of general welfare which are the outgrowth of the conditions of modern society, and although not named in the trusts found in this statute, are held to be within the spirit and intent, and these are not restricted to the relief of the poor or sick, but subject to the limitation above stated, bring institutions of a general nature within the scope of the exemption. While the words "literary" and "scientific" show that the exemption given by the statute is not restricted to institutions having the narrow charitable purpose of relief of the poor or sick, they are to be interpreted, like the word "benevolent", in the light of their use in connection with the word "charitable" and do not exceed the

exemption to literary or scientific institutions which are not in the nature of public charities.

Educational institutions of a public charitable nature are within the class of "literary, benevolent, charitable and scientific institutions" which are exempt from taxation even if the education given is not strictly "literary" or "scientific" within the ordinary meaning of these words. 145 Mass. 139. See Assessors of Boston v. Garland School 296 Mass. 378. This school was organized for the purpose of training young women the principals of home making and charged substantial fees therefor and supported itself without endowment or gifts and made profits which were devoted to capital improvements and to the reduction of the principal of mortgages on real estate.

It was found to be an educational institution and a literary, benevolent, charitable and scientific institution under the tax statutes.

The corporation was incorporated under what is now C. 180 of G. L. (Ter. Ed.) which authorized the incorporation of charitable and other corporations. It had no capital stock.

Receipt of gifts of money or other property has the tendency to show that the corporation is charitable in nature.

Article 5. Special meetings of the Board of Managers may be called at the written request of three members of the Board and notice shall be sent by the Clerk by mail at least two days before the meeting.

Article 6. At a meeting of the Board of Managers five members constitute a quorum.

Article 8. Members. All signers of the agreement of incorporation are voting members. Other persons may be elected voting members by a majority of the Board of Managers at any meeting of the Board and upon payment of such fees as the Board may prescribe. Membership in the corporation shall comprise voting members and associate members (voting members are either signers of the agreement of incorporation or other persons elected by a majority of the Board of Managers), see Article 8.

Article 4. Duties of Officers. The Board of Managers shall have charge and management of all the affairs of the corporation and report at the annual meeting a full report of the work of the year, and of all money received and expended.

Article 1. The name of the organization shall be "The Peabody Community House, Incorporated."

Article 3. The Board of Management shall consist of the President, Vice-president, Clerk, Treasurer, Financial Secretary and a Board of fifteen Directors and the Vice-President, Clerk, and Financial Secretary shall be elected by

ballot at the annual meeting.

What should be done is to have a special meeting of the Board of Managers and elect certain persons voting members of the Corporation.

By the Acts of 1947 C. 559 Section 10 of C. 180 was stricken out and a new Section 10 provided that at a meeting duly called for the purpose, by vote of two thirds of the persons legally qualified to vote in meetings of the corporation, or by a larger vote if its agreement of association or by-laws so require, add to or change the purposes for which it was incorporated. Certificates shall be submitted to the commissioner of corporations and later, if approved, filed in the office of the State Secretary.

Section 11 C. 180 entitled "Change of name or purpose" was repealed by C. 559 of 1947 and provided if the corporation could not comply with Section 10 of C. 180 relative to changing the purpose for which it was incorporated or adding to it under Section 10 of C. 155^{at} may petition the commissioner of corporations and taxation for an addition to or change of purpose or change of name.

Section 17 of C. 180 is stricken out and a new section or by-law enacted.

C. 692 of 1949. The persons to be notified of a special meeting of the corporation are the incorporators and those persons elected from time to time to be voting members by the Board of Management at any meeting.

The first additional voting members of the corporation were suggested at a meeting of the corporation November 8, 1918, and it was voted that they be made members with the same provisions that members already holding office have, unless other provisions be made.

Of those elected on that date the following are living.

IDAN LITTO TEMPERANCE SOCIETY vs. ALEX A. ISAKSON
& others. 219 Mass. 95.

Petition under R. L. C. 109 Section 52 by a Temperance Corporation with no capital stock and having a progressively continuous diminution in membership, in its attendance and in zeal for the promotion of temperance, due to the greater efficiency of another kindred organization, may be found to be an adequate reason for the dissolution of the corporation.

A small minority of the members of a corporation have no absolute right to insist upon the continued existence of the corporation against the will of the majority, and such corporation does not hold its property, which has been derived from the dues of members and from entertainments, upon any express or implied trust that involves its perpetual existence.

A by-laws provides that if membership falls below seven the Society will stop holding meetings and the remaining members are to hold property for two years and the assets applied for the benefit of some similar organization, the effect of this provision is not to point out the exclusive method of winding up the corporation, nor does it prevent a larger number of members than seven from deciding on sufficient grounds that the corporate existence should be terminated although the affairs of the corporation have not reached so low an ebb as that designated by the by-law. Whether this by-law requires that upon dissolution any assets remaining after the payment of the debts of the corporation shall be applied for the benefit of some similar organization instead of being distributed among the members as directed by R. L. c. 109, Section 55, did not arise and was not passed on.

A corporation can proceed under R. L. C. 109 Section 52 or 56 and the property is not charged with being a public charitable trust.

Grounds set forth were marked falling off in membership, attendance at meetings and in general interest.

The corporation is obliged to devote the receipts from dues and and its property to the purpose for which it was organized only during the continuance of its corporate life. The implication from these facts, in the absence of contrary express declaration, or implied trust arising from other conduct, is that the majority, for sufficient cause, may suspend the activities of the institution and close up its affairs. 12 Gray 17. 180 Mass. 415, 423.

Evidence as to what occurred at meetings subsequent to the vote to dissolve the corporation and when no quorum was present rightly was excluded.

Chapter 156.